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FM AMEMBASSY ABUJA
TO RUEHC/SECSTATE WASHDC 5925
INFO RUEHZK/ECOWAS COLLECTIVE
RUEHYD/AMEMBASSY YAOUNDE 0800
RUEHSA/AMEMBASSY PRETORIA 1851
RUCPDO/DEPT OF COMMERCE WASHDC
RUEATRS/DEPT OF TREASURY WASHDC
RHEBAAA/DEPT OF ENERGY WASHDC
RUEHC/DEPT OF LABOR WASHDC
RUEHRC/DEPT OF AGRICULTURE WASHDC
RUEAIIA/CIA WASHDC
RUEKDIA/DIA WASHDC
RHMFISS/HQ USAFRICOM STUTTGART GE
RUZEJAA/JAC MOLESWORTH RAF MOLESWORTH UK

UNCLAS SECTION 01 OF 03 ABUJA 000790

SENSITIVE
SIPDIS

DEPARTMENT PASS TO USTR-AGAMA
DEPARTMENT PASS TO USAID/AFR FOR ATWOOD
DOE FOR GPERSON
LABOR FOR SHALEY
USDA/FAS/OTP FOR MCKENZIE

E.O. 12958: N/A
TAGS: [PGOV](#) [ECON](#) [ELAB](#) [EPET](#) [SENV](#) [EFIN](#) [EAGR](#) [KDEM](#) [NI](#)
SUBJECT: NIGERIA: BI-WEEKLY POL/ECON UPDATES FOR APRIL 18-30, 2009

Ref: A. ABUJA 483
[1](#)B. ABUJA 316
[1](#)C. ABUJA 714
[1](#)D. ABUJA 529

[1](#)1. (U) The Following is a joint Embassy Abuja, ConGen Lagos compilation of April 18-30, 2009 political/economic highlights, which did not feature in our other reporting, covering:

--Economic News
--Health
--Political News
--2011 Elections
--House of Representatives

Economic News

[1](#)2. (U) On April 21, the Indigenous Shipowners Association of Nigeria (ISAN) organized the first shipowners' summit on the legislation in the National Assembly to develop Nigerian content in the oil and gas industry. (Note: the legislation would require strict levels of Nigerian content in all oil and gas related contracts. End Note.) Summit participants decried the absence of the transportation sector, particularly maritime, in the bill. Olisa Agbakoba, a maritime lawyer, said the bill shows Nigeria does not yet understand the importance of the maritime sector despite its employment creation potential. Agbakoba opined that the Nigerian content bill, like previous maritime laws including the Cabotage Law, may not be properly implemented when it is enacted. ISAN recommended that penalties be included in the bill to ensure compliance and that a review of achievements of the local content bill be done five years after enactment. (Comments: Previous version of the local content bill, which has been winding its way through the legislature for at least four years, included criminal penalties for oil company executives whose companies did not adhere to the proposed local content rules. Thankfully those provisions have been dropped. Although the bill may not satisfy the ISAN, executives with two U.S. companies that run oil field service boats report that they've been approached by start up Nigerian companies demanding the US companies enter into a sale and lease back arrangement to satisfy the proposed local content law. End Note.)

13. (U) On April 27, the Public Affairs Section of the U.S. Consulate General Lagos in collaboration with the International Visitor Leadership Program (IVLP) Alumni Association organized a seminar to commemorate Earth Day 2009. Titi Anibaba, Permanent Secretary, Lagos State Ministry of Environment, said beautification and waste-to-wealth are cornerstones of the state government's environmental policy. Over 100 private waste collectors collect waste across Lagos while programs to convert waste to energy, compost, ethanol, and water in collaboration with the private sector are under development, Anibaba said. Professor Emmanuel Obot, Executive Director of the Nigerian Conservation Foundation remarked on the challenges facing the environment in Nigeria. He said that 9-13 million barrels of oil have been spilled in the Niger Delta over the past 50 years and pointed out that if sea-levels continue to rise at present rates, the entire state of Bayelsa, and much of Rivers, Delta, and Akwa Ibom states will be completely under water by 2050. Dr. Obot stressed that saving Nigeria's bio-diversity is not about protecting exotic plants and animals for tourism or out of altruism, but rather about real economic opportunities to produce highly valuable niche products, like pharmaceuticals.

14. (SBU) Credit Reference Company (CRC) Managing Director Tunde Popoola on April 29 told ConGen EconOffs nine of CRC's 11 associated commercial banks recently began to pool credit information on consumers, forming the larger of Nigeria's two credit rating agencies. Although only a pilot phase before the system comes fully on-line in June when formal Central Bank of Nigeria approval is expected, several banks have already begun to draw data from the system to better assess the creditworthiness of would-be borrowers. Popoola estimated the initial population of credit worthy individuals captured by CRC would be small, noting that only about 2

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million Nigerians currently had access to credit. Nonetheless, Popoola laid out plans to expand coverage over the next several months to Nigeria's more than 900 microfinance institutions and numerous utility companies, such as telecommunication firms, in part as a means to bring the large informal sector into the formal credit system. Popoola said CRC's chief obstacles were the poor quality of basic biographic data and Nigeria's lack of a national identification system. Popoola requested USG assistance in linking CRC with U.S. credit companies for training and information exchange.

15. (U) OGUN STATE AND GUANGDONG FREE TRADE ZONE DISCUSS INVESTMENT OPPORTUNITIES: On April 27, Yosolaoluwa Akinbi, the Economic Advisor to Governor Daniel of Ogun State; Chen Ziye, the Managing Director of the Ogun Guangdong Free Trade Zone (FTZ); and Liu Jun, the Economic & Commercial Consul of the Chinese Consulate; met with ConGen Econoffs and the Commercial Attach to discuss promotion of U.S. investment and companies for the FTZ. Mr. Ziye sought U.S. Government assistance in facilitating a Nigerian trade delegation to build relationships with U.S. companies that could manufacture in the zone. The meeting emphasized the importance of free trade policies and how state governments can establish a legal environment that protects foreign investment.

16. (U) HEAD OF SEC RESIGNS: Director General of Nigeria's Security and Exchange Commission (NSEC) Musa Al-Faki resigned on April 23. He was appointed director-general (DG) of the NSEC in October 2004 for a five-year renewable tenure. The Executive Commissioner for Operations will be act as interim DG until the appointment of the new DG.

17. (SBU) NIGERIA AND RUSSIA SIGN A MEMORANDUM OF UNDERSTANDING ON NUCLEAR COOPERATION: According to press reports, Nigeria and Russia signed a Memorandum of Understanding (MOU) on March 18, 2009 on nuclear technology cooperation. On April 30, Professor Shamsideen Elegba, Director General of the Nigerian Nuclear Regulatory Authority (NNRA), in a phone conversation with ESTHoff confirmed the signing of the MOU saying that it will assist Nigeria to build its technical capacity for the peaceful use of nuclear technology. The Nigerian House Committee on Science and Technology held a hearing on April 28 on the issue, where Director General of the Energy Commission of Nigeria, Dr. Erepamo Ossaisai, complained that his Commission, despite its mandate on energy issues, was sidelined in

the negotiation and signing of the MOU. He urged the House of Representatives to ensure that all GON agencies work together and adhere to their statutory responsibilities.

Health

18. (SBU) MENINGITIS KILLS 1,900 IN NIGERIA, NIGER, CHAD: Quoting Medecins Sans Frontieres, local press reported on May 4, that a meningitis outbreak has killed at least 1,900 people since the start of the year in Nigeria, Niger and Chad. Of the 1,900 fatal cases recorded, 1,500 were in Nigeria, 300 in neighboring Niger and the remainder in Chad. Since the beginning of the year more than 50,000 cases of meningitis have been reported in Nigeria, making 2009 the worst year since a triple epidemic of measles, cholera and meningitis killed more than 12,000 people in 1996.

Political News

19. (U) WOMEN LAWYERS LAUNCH ANTI-VIOLENCE AGAINST WOMEN CAMPAIGN: On April 23, Lagos Consul General spoke at a dinner for the International Federation of Women Lawyers (FIDA) in Lagos for the launch its Violence Against Women campaign. The event was chaired by Oluwarotimi Akeredolu, the President of the Nigeria Bar Association, and attended by a number of high-profile female lawyers and politicians. The remarks focused on eliminating violence against women in West Africa and the role that FIDA members can play in combating trafficking in persons and assisting in the prosecution of traffickers.

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2011 Elections

10. (U) On April 24, THISDAY newspaper reported that former governor of Adamawa State Boni Haruna plans to defect from the Action Congress (AC) to the Peoples Democratic Party (PDP). Haruna, a close ally of former Vice President Atiku Abubakar, left the PDP with Atiku who became the AC presidential candidate for the 2007 election. Reportedly Haruna and other political allies of Atiku were pushing Atiku to return to the PDP, but Haruna and others may defect from the AC by themselves even though it no longer appears to be a viable option for the former vice president. (Note: Haruna and his former special assistant, Mohammed Inuwa Bassi, were arraigned by the Economic and Financial Crimes Commission (EFCC), in August 2008 over alleged 93.9 million naira (about \$636,600) fraud. End Note.)

11. (U) On April 26, THISDAY newspaper quoted Alhaji Bashir Tofa of the All Nigeria Peoples Party (ANPP) as saying that the party is "still in consultations mode" with other opposition parties, with a focus on forming a unified opposition to the Peoples Democratic Party (PDP). Despite this statement, Tofa maintains that the ANPP is not part of ongoing discussions on the formation of a "mega-party".

House of Representatives

12. (U) Nigeria's Speaker of the House Dimeji Bankole was elected as the President of the Afro-Arab Inter-Parliamentary Union at the 12th Afro-Arab parliamentary conference, which was held in Abuja from April 21-23. Bankole will hold the position for two years.

SANDERS